

STATE CORPORATION COMMISSION OF KANSAS
OIL & GAS CONSERVATION DIVISION
WELL COMPLETION FORM
ACO-1 WELL HISTORY
DESCRIPTION OF WELL AND LEASE

Operator: License # 6861

Name: RON'S OIL OPERATIONS, INC.

Address RFD 1, Box 112

City/State/Zip Penokee, Kansas 67659-0112

Purchaser: Farmland Industries

Operator Contact Person: Ronald Nickelson

Phone (785) 421-2315

Contractor: Name: Discovery Drilling Inc.

License: 31548

Wellsite Geologist: Jerry Green

Designate Type of Completion

 New Well Re-Entry Workover

| | | | |
|---|--|-------------------------------|-------------------------------------|
| <input checked="" type="checkbox"/> Oil | <input type="checkbox"/> SWD | <input type="checkbox"/> SIOW | <input type="checkbox"/> Temp. Abd. |
| <input type="checkbox"/> Gas | <input type="checkbox"/> ENHR | <input type="checkbox"/> SIGW | |
| <input type="checkbox"/> Dry | <input type="checkbox"/> Other (Core, WSW, Expl., Cathodic, etc) | | |

If Workover/Re-Entry: old well info as follows:

Operator: _____

Well Name: _____

Comp. Date _____ Old Total Depth _____

| | | |
|--|---|---|
| <input type="checkbox"/> Deepening | <input type="checkbox"/> Re-perf. | <input type="checkbox"/> Conv. to Inj/SWD |
| <input type="checkbox"/> Plug Back | <input type="checkbox"/> PBT | |
| <input type="checkbox"/> Commingled | <input type="checkbox"/> Docket No. _____ | |
| <input type="checkbox"/> Dual Completion | <input type="checkbox"/> Docket No. _____ | |
| <input type="checkbox"/> Other (SWD or Inj?) | <input type="checkbox"/> Docket No. _____ | |

9/8/98 9/14/98 9/30/98

Spud Date Date Reached TD Completion Date

API NO. 15- 065-22792 0000

County Graham

60°N 30'W of S/2 - S/2 - SW Sec. 13 Twp. 9S Rge. 24W

390 Feet from S/N (circle one) Line of Section

1290 Feet from E/W (circle one) Line of Section

Footages Calculated from Nearest Outside Section Corner:
NE, SE, NW or SW (circle one)

Lease Name Nickelson "A" Well # 13-1

Field Name Holly SE

Producing Formation Lanxsing KC

Elevation: Ground 2394 KB 2402

Total Depth 3980 PBT

Amount of Surface Pipe Set and Cemented at 209.91 Feet

Multiple Stage Cementing Collar Used? Yes No

If yes, show depth set 2014'

If Alternate II completion, cement circulated from 2014

feet depth to Surface w/ 350 x cmt.

Drilling Fluid Management Plan AH.2, 1-20-99 UC
(Data must be collected from the Reserve Pit)

Chloride content 1,200 ppm Fluid volume 480 bbls

Dewatering method used Evaporation

Location of fluid disposal if hauled offsite:

Operator Name Ron's Oil Operation Inc.

Lease Name Nickelson A-13-1 License No. 6861

SW Quarter Sec. 13 Twp. 9 S Rng. 24 E/W

County Graham Docket No. 15-065-22792-0000

INSTRUCTIONS: An original and two copies of this form shall be filed with the Kansas Corporation Commission, 200 Colorado Derby Building, Wichita, Kansas 67202, within 120 days of the spud date, recompletion, workover or conversion of a well. Rule 82-3-130, 82-3-106 and 82-3-107 apply. Information on side two of this form will be held confidential for a period of 12 months if requested in writing and submitted with the form (see rule 82-3-107 for confidentiality in excess of 12 months). One copy of all wireline logs and geologist well report shall be attached with this form. ALL CEMENTING TICKETS MUST BE ATTACHED. Submit CP-4 form with all plugged wells. Submit CP-111 form with all temporarily abandoned wells.

All requirements of the statutes, rules and regulations promulgated to regulate the oil and gas industry have been fully complied with and the statements herein are complete and correct to the best of my knowledge.

Signature Ronald Nickelson

Title Pres Date 1-2-99

Subscribed and sworn to before me this 2nd day of January 1999.

Notary Public Donna Goetz

Date Commission Expires 7-23-2002

| | |
|---|----------------------------------|
| K.C.C. OFFICE USE ONLY | |
| <input type="checkbox"/> Letter of Confidentiality Attached | |
| <input checked="" type="checkbox"/> Wireline Log Received | |
| <input checked="" type="checkbox"/> Geologist Report Received | |
| Distribution | |
| <input checked="" type="checkbox"/> KCC | <input type="checkbox"/> SWD/Rep |
| <input type="checkbox"/> KGS | <input type="checkbox"/> Plug |
| <input checked="" type="checkbox"/> Other (Specify) IS | |



DONNA GOETZ
State of Kansas
My Appt. Exp. 7-23-2002

Operator Name RON'S OIL OPERATIONS, INC.Lease Name Nickelson "A" Well # 13-1Sec. 13 Twp. 9S Rge. 24W EastCounty Graham West

INSTRUCTIONS: Show important tops and base of formations penetrated. Detail all cores. Report all drill stem tests giving interval tested, time tool open and closed, flowing and shut-in pressures, whether shut-in pressure reached static level, hydrostatic pressures, bottom hole temperature, fluid recovery, and flow rates if gas to surface during test. Attach extra sheet if more space is needed. Attach copy of log.

Drill Stem Tests Taken
(Attach Additional Sheets.) Yes No

Samples Sent to Geological Survey

 Yes No

Cores Taken

 Yes NoElectric Log Run
(Submit Copy.) Yes No

List All E.Logs Run:

Radiation Guard

Cement Bond Collar Log

CASING RECORD

 New Used

Report all strings set-conductor, surface, intermediate, production, etc.

| Purpose of String | Size Hole Drilled | Size Casing Set (In O.D.) | Weight Lbs./Ft. | Setting Depth | Type of Cement | # Sacks Used | Type and Percent Additives |
|--------------------|-------------------|---------------------------|-----------------|---------------|----------------|--------------|----------------------------|
| Surface Pipe | 12 1/2 | 8 5/8 | 20 | 209.91 | 60/40Poz | 155 | 2%Gel&3%CC |
| Production St. | 7 7/8 | 4 1/2 | 9.5 | 3978.52 | ASC | 175 | 5%Gilsonite |
| Port Collar @ 2014 | | | | | | | |

ADDITIONAL CEMENTING/SQUEEZE RECORD

| Purpose: | Depth | Type of Cement | # Sacks Used | Type and Percent Additives |
|--|---------|----------------|--------------|----------------------------|
| Perforate | Top | | | |
| <input checked="" type="checkbox"/> Protect Casing | 2014 | | | |
| Plug Back TD | Bottom | | | |
| Plug Off Zone | Surface | 60/40Common | 350 | 60-40-6%Gel1/4 Flo 1% CC |

| Shots Per Foot | PERFORATION RECORD - Bridge Plugs Set/Type Specify Footage of Each Interval Perforated | Acid, Fracture, Shot, Cement Squeeze Record (Amount and Kind of Material Used) | Depth |
|----------------|---|---|-------|
| 4 Shots | 3928-30-3910-12-3892-94 | | |
| | 3870-73-3812-14-3808-10 | 5000 GL Non E | |
| | 3779-82 | | |

| TUBING RECORD | Size | Set At | Packer At | Liner Run | <input type="checkbox"/> Yes <input checked="" type="checkbox"/> No |
|---------------|------|--------|-----------|-----------|---|
| | 23/8 | 3922 | 0 | | |

| Date of First, Resumed Production, SWD or Inj. | Producing Method | <input type="checkbox"/> Flowing <input checked="" type="checkbox"/> Pumping <input type="checkbox"/> Gas Lift <input type="checkbox"/> Other (Explain) |
|--|------------------|---|
|--|------------------|---|

| Estimated Production Per 24 Hours | Oil | Barrels. | Gas | McF | Water | Barrels. | Gas-Oil Ratio | Gravity |
|-----------------------------------|-----|----------|-----|-----|-------|----------|---------------|---------|
| | 30 | | | | 50 | | 60% | 36.8 |

Disposition of Gas:

| METHOD OF COMPLETION | | | | Production Interval |
|---------------------------------|-------------------------------|---|--|---------------------|
| <input type="checkbox"/> Vented | <input type="checkbox"/> Sold | <input type="checkbox"/> Used on Lease (If vented, submit ACO-18.) | <input type="checkbox"/> Open Hole <input checked="" type="checkbox"/> Perf. <input type="checkbox"/> Dually Comp. <input type="checkbox"/> Commingled | |
| | | | <input type="checkbox"/> Other (Specify) _____ | |